

**ADDENDUM TO WATER PURCHASE AGREEMENT  
BETWEEN CITY OF CYNTHIANA AND  
HARRISON COUNTY WATER ASSOCIATION, INC.**

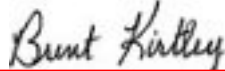
**WHEREAS**, the City of Cynthiana, Kentucky and Harrison County Water Association, Inc. entered into a Water Purchase Agreement dated September 29, 2009 setting forth rates to be charged by the City of Cynthiana to Harrison County Water Association, Inc. for treated water which Harrison County Water Association, Inc. purchases from the City of Cynthiana, Kentucky, and

**WHEREAS**, Paragraph 7 of the Agreement provides that the rates set out in the agreement are subject to change by mutual agreement of the City and the Harrison County Water Association, or if unable to reach such an agreement, then upon a minimum of thirty days' notice of any such change, subject to the review and approval of the Public Service Commission of the Commonwealth of Kentucky, and

**WHEREAS**, the City of Cynthiana and the Harrison County Water Association, Inc. have reached an agreement on a rate increase which will take effect in phases commencing January 1, 2015 and January 1, 2016, respectively, with the new rates to supersede and replace in all respects those rates set out in the Water Purchase Agreement dated September 29, 2009, and

**WHEREAS**, the parties wish to amend the Water Purchase Agreement to reflect the new rates,

**NOW, THEREFORE**, this Addendum to Water Purchase Agreement is made and entered into as of this the 11<sup>th</sup> day of November 2014, by and between the City of Cynthiana, Kentucky, a municipal corporation located in Harrison County, Kentucky (hereinafter referred to as "City") and the Harrison County Water Association, Inc., P.O. Box 215, Cynthiana, Kentucky 41031 (hereinafter referred to as "HCWA")

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>JEFF R. DEROUEN EXECUTIVE DIRECTOR</b>
TARIFF BRANCH

EFFECTIVE <b>1/1/2015</b>
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**WITNESSETH:**

1. The City and the HCWA have reached an agreement to change the water rates pursuant to Paragraph 7 of the Water Purchase Agreement dated September 29, 2009. The new rates to be charged by the City of Cynthiana to HCWA shall be as follows:

**Phase I Monthly Rates, effective from January 1, 2015 through December 31, 2015:**

	<u>Current Rate</u>	<u>Phase I Rate</u>	<u>\$ Change</u>	<u>% Change</u>
All usage	\$2.41 per 1,000 gallons	\$2.63 per 1,000 gallons	\$0.22 increase	9.1% increase

**Phase II Monthly Rates, effective on or after January 1, 2016:**

	<u>Phase I Rate</u>	<u>Phase II Rate</u>	<u>\$ Change</u>	<u>% Change</u>
All usage	\$2.63 per 1,000 gallons	\$2.85 per 1,000 gallons	\$0.22 increase	8.4% increase

2. Water flowing through the meters between January 1, 2015 and December 31, 2015 will be charged at the Phase 1 rate while water flowing through the meters on or after January 1, 2016 will be charged at the Phase II rate.

3. Except as specifically amended herein relating to rates, the remaining paragraphs and provisions of the Water Purchase Agreement dated September 29, 2009 remain in full force and effect.

**IN TESTIMONY WHEREOF**, this Addendum has been lawfully and with full authority executed (1) by the Mayor of the City of Cynthiana, Kentucky, by and on behalf of the City and (2) by the President and Chairman of the Board of Directors of the Harrison County Water Association, Inc., by and on behalf of the HCWA.

**CITY OF CYNTHIANA, KENTUCKY**

By: Steve Moses  
Steve Moses, Mayor

<b>KENTUCKY</b> PUBLIC SERVICE COMMISSION
<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
TARIFF BRANCH  <u>Brent Kirtley</u>
EFFECTIVE <b>1/1/2015</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**STATE OF KENTUCKY  
COUNTY OF HARRISON**

The foregoing Addendum to Water Purchase Agreement was subscribed, sworn to and acknowledged before me by Steve Moses, acting as Mayor on behalf of the City of Cynthiana, Kentucky, on this the 18 day of November 2014.

My commission expires:  
March 24, 2017

Charleen M. McSwain  
Notary Public

**HARRISON COUNTY WATER  
ASSOCIATION, INC.**

By: William Toadvine  
William Toadvine, President and  
Chairman of the Board of Directors

**STATE OF KENTUCKY  
COUNTY OF HARRISON**

The foregoing Addendum to Water Purchase Agreement was subscribed, sworn to and acknowledged before me by William Toadvine, acting as President and Chairman of the Board of Directors on behalf of Harrison County Water Association, Inc., on this the 19 day of November 2014.

My commission expires:  
4/10/18

Danny Northcutt  
Notary Public

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>JEFF R. DEROUEN EXECUTIVE DIRECTOR</b>
TARIFF BRANCH  <u>Brent Kirtley</u>
EFFECTIVE <b>1/1/2015</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)